



MEDIA RELEASE

STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE

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Tennessee Division of Consumer Affairs Warns Consumers of Internet Scams

Nashville, TN - - Have you ever received an email or pop-up message luring you to disclose personal information such as social security and credit card numbers? The Tennessee Division of Consumer Affairs warns consumers to be cautious of these online frauds.

The most common internet frauds are committed through "phishing" or "spoofing." Phishing is a play on words and is basically defined as fishing for personal information. These scams often involve spoofing, which means the fraudsters have altered their email address also to look like it originated from a different source. Some of these emails or pop-ups may claim that they are with your bank, mortgage company, the IRS or someone that you do business with stating that they need to verify your information. Other emails may advise that you have won a foreign lottery or offer discounts on merchandise. Once the fraudsters obtain your information, they often use it to commit identity fraud or run up charges on your accounts.

Tennesseans were bilked out of more than \$13.7 million in 2007 as a result of frauds and this amount doesn't include the amount of money lost due to identity theft. The top five categories of frauds reported by Tennesseans were:

- Identity theft- 28%
- Shop-at-home- 8%
- Internet services- 5%
- Prizes/Sweepstakes & lotteries- 4%
- Foreign money offers- 3%

U. S. consumers reported fraud losses of more than \$1.2 billion in 2007. Sixty-four percent of these consumers were initially contacted via the internet.

The Tennessee Division of Consumer Affairs offers these tips to consumers to help protect them from online frauds:

- Do not reply to emails or pop-ups that ask for personal information including credit card or account information. Legitimate companies do not solicit this information via the internet.

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- Do not trust “pre-qualified” loan or credit offers that ask you to pay a processing fee. People who pay the fee don’t receive the loan or card and they never get their money back.
- Do not trust prize notifications or foreign money offers. They are common scams that ask for taxes or fees to be paid before you can receive your prize.
- Don’t email personal, financial or credit card information. Email is not a secure method of forwarding information.
- Only shop with sites you trust. Some sites may offer products at great discounts as a lure to get your credit card information. Make sure the site lists a physical address and telephone number where you can reach them if you experience any problems.
- Don’t save account or other personal information to your hard drive. Ask yourself what information would be disclosed if a hacker accessed your computer.
- Be cautious when opening attachments to emails regardless of who sent them. Some files can contain viruses, spyware or other software that may breach the security of your computer.
- Make sure your computer’s security settings are current and that you have installed the latest anti-virus, firewall and anti-spyware software.
- Remember, if it sounds too good to be true, it probably is.

For more information regarding fraud prevention or other consumer tips, please contact the Tennessee Division of Consumer Affairs at 1-800-342-8385 or visit www.tennessee.gov/consumer.

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